



House of Representatives

General Assembly

File No. 360

February Session, 2016

Substitute House Bill No. 5554

House of Representatives, March 31, 2016

The Committee on Education reported through REP. FLEISCHMANN of the 18th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING REGIONAL EDUCATION.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (1) of subsection (a) of section 10-283 of the
2 2016 supplement to the general statutes is repealed and the following
3 is substituted in lieu thereof (*Effective July 1, 2016*):

4 (a) (1) Each town or regional school district shall be eligible to apply
5 for and accept grants for a school building project as provided in this
6 chapter. Any town desiring a grant for a public school building project
7 may, by vote of its legislative body, authorize the board of education of
8 such town to apply to the Commissioner of Administrative Services
9 and to accept or reject such grant for the town. Any regional school
10 board may vote to authorize the supervising agent of the regional
11 school district to apply to the Commissioner of Administrative
12 Services for and to accept or reject such grant for the district.
13 Applications for such grants under this chapter shall be made by the
14 superintendent of schools of such town or regional school district on

15 the form provided and in the manner prescribed by the Commissioner
16 of Administrative Services. The application form shall require the
17 superintendent of schools to affirm that the school district considered
18 the maximization of natural light, the use and feasibility of wireless
19 connectivity technology and, on and after July 1, 2014, the school
20 safety infrastructure criteria, developed by the School Safety
21 Infrastructure Council, pursuant to section 10-292r, in projects for new
22 construction and alteration or renovation of a school building. The
23 Commissioner of Administrative Services shall review each grant
24 application for a school building project for compliance with
25 educational requirements and on the basis of categories for building
26 projects established by the Commissioner of Administrative Services in
27 accordance with this section. The Commissioner of Education shall
28 evaluate, if appropriate, whether the project will assist the state in
29 meeting the goals of the 2008 stipulation and order for Milo Sheff, et al.
30 v. William A. O'Neill, et al., as extended, or the goals of the 2013
31 stipulation and order for Milo Sheff, et al. v. William A. O'Neill, et al.,
32 as extended. The Commissioner of Administrative Services shall
33 consult with the Commissioner of Education in reviewing grant
34 applications submitted for purposes of subsection (a) of section 10-65
35 or section 10-76e on the basis of the educational needs of the applicant.
36 The Commissioner of Administrative Services shall review each grant
37 application for a school building project for compliance with standards
38 for school building projects pursuant to regulations, adopted in
39 accordance with section 10-287c, and, on and after July 1, 2014, the
40 school safety infrastructure criteria, developed by the School Safety
41 Infrastructure Council pursuant to section 10-292r. The Commissioner
42 of Administrative Services shall regularly consult with the Connecticut
43 State Data Center at The University of Connecticut to (A) review
44 projected enrollment figures included in grant applications for school
45 building projects, and (B) assist the commissioner in performing an
46 annual regional school capacity assessment that analyzes student
47 enrollment for each school facility in any school district adjacent to the
48 applicant. The Commissioner of Administrative Services shall share
49 the results of the regional school capacity assessment with each

50 applicant. Notwithstanding the provisions of this chapter, the Board of
51 Trustees of the Community-Technical Colleges on behalf of Quinebaug
52 Valley Community College and Three Rivers Community College and
53 the following entities that will operate an interdistrict magnet school
54 that will assist the state in meeting the goals of the 2008 stipulation and
55 order for Milo Sheff, et al. v. William A. O'Neill, et al., as extended, or
56 the goals of the 2013 stipulation and order for Milo Sheff, et al. v.
57 William A. O'Neill, et al., as extended, as determined by the
58 Commissioner of Education, may apply for and shall be eligible to
59 receive grants for school building projects pursuant to section 10-264h
60 for such a school: [(A)] (i) The Board of Trustees of the Community-
61 Technical Colleges on behalf of a regional community-technical
62 college, [(B)] (ii) the Board of Trustees of the Connecticut State
63 University System on behalf of a state university, [(C)] (iii) the Board of
64 Trustees for The University of Connecticut on behalf of the university,
65 [(D)] (iv) the board of governors for an independent institution of
66 higher education, as defined in subsection (a) of section 10a-173, or the
67 equivalent of such a board, on behalf of the independent institution of
68 higher education, [(E)] (v) cooperative arrangements pursuant to
69 section 10-158a, as amended by this act, and [(F)] (vi) any other third-
70 party not-for-profit corporation approved by the Commissioner of
71 Education.

72 Sec. 2. (NEW) (*Effective July 1, 2016*) A regional educational service
73 center may enter into an agreement with one or more local or regional
74 boards of education to provide administrative services related to the
75 operation and management of the school district or districts under the
76 jurisdiction of such board or boards to enable any such board to carry
77 out its duties specified in the general statutes. Such agreements may
78 include (1) the sharing of administrative staff, and (2) the provision of
79 administrative services by regional educational service center
80 personnel, such as the management of pupil personnel, data collecting
81 and reporting, financial management and business services,
82 information technology services, monitoring of compliance with state
83 and federal education laws, facilities management, provision of
84 teachers and staff, and other services.

85 Sec. 3. Section 10-660 of the general statutes is repealed and the
86 following is substituted in lieu thereof (*Effective July 1, 2016*):

87 The Department of Education shall encourage the use of regional
88 educational service centers as providers of goods and services for local
89 and regional boards of education and may award special consideration
90 to grant applications that indicate the use of services of regional
91 educational service centers or joint purchasing agreements among
92 boards of education for the purpose of purchasing instructional or
93 other supplies, testing materials, special education services, health care
94 services, ~~or~~ food or food services or administrative services.

95 Sec. 4. Section 10-158a of the 2016 supplement to the general statutes
96 is repealed and the following is substituted in lieu thereof (*Effective July*
97 *1, 2016*):

98 (a) Any two or more boards of education may, in writing, agree to
99 establish cooperative arrangements to provide school accommodations
100 services, programs or activities, special education services, health care
101 services or alternative education, as defined in section 10-74j, to enable
102 such boards to carry out the duties specified in the general statutes.
103 Such arrangements may include the establishment of a committee to
104 supervise such programs, the membership of the committee to be
105 determined by the agreement of the cooperating boards. Such
106 committee shall have the power, in accordance with the terms of the
107 agreement, to (1) apply for, receive directly and expend on behalf of
108 the school districts which have designated the committee an agent for
109 such purpose any state or federal grants which may be allocated to
110 school districts for specified programs, the supervision of which has
111 been delegated to such committee, provided such grants are payable
112 before implementation of any such program or are to reimburse the
113 committee pursuant to subsection (d) of this section for transportation
114 provided to a school operated by a cooperative arrangement; (2)
115 receive and disburse funds appropriated to the use of such committee
116 by the cooperating school districts, the state or the United States, or
117 given to the committee by individuals or private corporations; (3) hold

118 title to real or personal property in trust, or as otherwise agreed to by
119 the parties, for the appointing boards; (4) employ personnel; (5) enter
120 into contracts; and (6) otherwise provide the specified programs,
121 services and activities. Teachers employed by any such committee
122 shall be subject to the provisions of the general statutes applicable to
123 teachers employed by the board of education of any town or regional
124 school district. For purposes of this section, the term "teacher" shall
125 include each professional employee of a committee below the rank of
126 superintendent who holds a regular certificate issued by the State
127 Board of Education and who is in a position requiring such
128 certification.

129 (b) Subject to the provisions of subsection (c) of this section, any
130 board of education may withdraw from any agreement entered into
131 under subsection (a) of this section if, at least one year prior to the date
132 of the proposed withdrawal, it gives written notice of its intent to do so
133 to each of the other boards. Upon withdrawal by one or more boards
134 of education, two or more boards of education may continue their
135 commitment to the agreement. If two or more boards of education
136 continue the arrangement, then such committee established within the
137 arrangement may continue to hold title to any real or personal
138 property given to or purchased by the committee in trust for all the
139 boards of education which entered the agreement, unless otherwise
140 provided in the agreement or by law or by the grantor or donor of
141 such property. Upon dissolution of the committee, any property held
142 in trust shall be distributed in accordance with the agreement, if such
143 distribution is not contrary to law.

144 (c) If a cooperative arrangement receives a grant for a school
145 building project pursuant to chapter 173, the cooperative arrangement
146 shall use the building for which the grant was provided for a period of
147 not less than twenty years after completion of such project. If the
148 cooperative arrangement ceases to use the building for the purpose for
149 which the grant was provided, the Commissioner of Education shall
150 determine whether (1) title to the building and any legal interest in
151 appurtenant land reverts to the state, or (2) the cooperative

152 arrangement reimburses the state an amount equal to ten per cent of
153 the eligible school building project costs of the project.

154 (d) Any cooperative arrangement established pursuant to this
155 section, or any local or regional board of education which is a member
156 of such a cooperative arrangement which transports students to a
157 school operated by such cooperative arrangement shall be reimbursed
158 in accordance with the provisions of section 10-266m. At the end of
159 each school year, any such cooperative arrangement or local or
160 regional board of education which provides such transportation shall
161 file an application for reimbursement on a form provided by the
162 Department of Education.

163 (e) A local or regional board of education that is a member of a
164 cooperative arrangement may, for purposes of reporting expenditures
165 of such board of education pursuant to sections 10-10c and 10-227, as
166 amended by this act, report all expenditures made by such board of
167 education in accordance with the terms of the agreement entered into
168 under subsection (a) of this section as a single total annual expenditure
169 of such board of education. Any local or regional board of education
170 that reports such cooperative arrangement expenditures in a manner
171 prescribed by this subsection shall provide a description of which local
172 or regional expenses were provided, in whole or in part, by the
173 cooperative arrangement and shall not be required to report the
174 specific amount of each such expense.

175 (f) Each cooperative arrangement shall annually file an independent
176 public school financial report, in a manner similar to section 10-227, as
177 amended by this act, that includes information related to expenses for
178 the activities described in subsection (a) of this section.

179 Sec. 5. Section 10-227 of the general statutes is repealed and the
180 following is substituted in lieu thereof (*Effective July 1, 2016*):

181 Each board of education shall cause the superintendent to make
182 returns not later than September first of each year to the Commissioner
183 of Education of the receipts, expenditures and statistics, as prescribed

184 by the commissioner, provided each such board may submit revisions
185 to the returns in such form and with such documentation as required
186 by the commissioner no later than December thirty-first of each year
187 following the September submission. Each board of education that is a
188 member of a cooperative arrangement, pursuant to section 10-158a, as
189 amended by this act, shall cause the superintendent to make a report
190 not later than September first of each year to the commissioner of the
191 expenditures under the cooperative arrangement, as described in
192 subsection (e) of section 10-158a, as amended by this act, provided
193 each such board may submit revisions to the report in such form and
194 with such documentation as required by the commissioner not later
195 than December thirty-first of each year following the September
196 submission. Such reports or returns required shall be made in
197 accordance with the instructions furnished by the commissioner, shall
198 be certified no later than December thirty-first of each year by the
199 independent public accountant selected pursuant to section 7-392 for
200 the purpose of auditing municipal accounts, and shall be subject to
201 Department of Education verification. If the returns and statistics and
202 revisions called for by said commissioner are not sent on or before the
203 days specified in this section or if the returns are not certified as
204 required by the commissioner on or before December thirty-first, each
205 local and regional board of education required by law to make
206 separate returns, whose returns and statistics or revisions are delayed
207 until after those days, shall forfeit of the total sum which is paid for
208 such board of education from the State Treasurer an amount to be
209 determined by the State Board of Education, which amount shall be
210 not less than one thousand dollars nor more than ten thousand dollars.
211 The amount so forfeited shall be withheld from a subsequent grant
212 payment as determined by the commissioner. Notwithstanding the
213 penalty provision of this section, the Commissioner of Education may
214 waive said forfeiture for good cause.

This act shall take effect as follows and shall amend the following sections:

Section 1	July 1, 2016	10-283(a)(1)
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Sec. 2	<i>July 1, 2016</i>	New section
Sec. 3	<i>July 1, 2016</i>	10-66o
Sec. 4	<i>July 1, 2016</i>	10-158a
Sec. 5	<i>July 1, 2016</i>	10-227

Statement of Legislative Commissioners:

In Section 1(a)(1)(B), "adjacent school districts" was replaced with "any school district adjacent to the applicant" for clarity and in Section 2, "school district to enable such boards to carry out the duties" was replaced with "school district or school districts under the jurisdiction of such board or boards to enable any such board to carry out its duties" for clarity.

ED *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 17 \$	FY 18 \$
Various Local and Regional School Districts	Potential Savings	Potential	Potential

Explanation

Section 1 requires the Department of Administrative Services (DAS) to consult with UConn's Connecticut State Data center to provide student enrollment statistics to assist with school construction project grant applications. This provision is not anticipated to result in a fiscal impact, as it is procedural in nature.

Sections 2 and 3 allow regional education service centers (RESCs) to contract with local or regional boards of education to provide administrative services. This could result in a potential savings to various local and regional boards of education. The potential amount saved would depend on the services provided and local budgetary changes. It is assumed that local and regional boards of education would only enter into an agreement with a RESC if savings were to be achieved.

Sections 4 and 5 modify expenditure reporting for boards of education that have entered into cooperative arrangements. It allows such boards to report all expenditures required by the Office of Policy and Management (OPM) for the uniform chart of accounts and by the state's education commissioner as a single total annual expenditure by the board. This change is not anticipated to result in a fiscal impact, as

it is procedural in nature.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the amount of savings achieved.

OLR Bill Analysis**sHB 5554*****AN ACT CONCERNING REGIONAL EDUCATION.*****SUMMARY:**

This bill makes changes to education laws on school construction projects, administrative services, and cooperative arrangements between public school districts. Specifically, the bill does the following:

1. requires the Department of Administrative Services (DAS) to consult with UConn's Connecticut State Data Center to provide student enrollment statistics to assist with school construction project grant applications,
2. allows regional education service centers (RESCs) (see BACKGROUND) to contract with local or regional boards of education to provide administrative services, and
3. modifies expenditure reporting requirements for boards of education that have entered into cooperative arrangements.

The bill also makes conforming and technical changes.

EFFECTIVE DATE: July 1, 2016

SCHOOL CONSTRUCTION PROJECTS

The bill requires the DAS commissioner to regularly consult with UConn's Connecticut State Data Center for the following purposes related to school construction projects: (1) reviewing projected enrollment figures included in grant applications and (2) assisting the commissioner with an annual regional school capacity assessment that analyzes student enrollment for each school facility in any school district adjacent to the grant applicant's. The commissioner must share

the capacity assessment results with each project applicant.

ADMINISTRATIVE SERVICES

The bill also allows RESCs to contract with boards of education to provide administrative services. Such services must relate to the operation and management of the school district or districts under the contracting board's jurisdiction to assist the board with its duties under state law.

The contract between a RESC and a board or boards may include provisions addressing the following services: sharing of administrative staff and providing administrative services by RESC personnel, including (1) pupil personnel management, (2) data collecting and reporting, (3) financial management and business services, (4) information technology services, (5) monitoring state and federal education law compliance, (6) facilities management, (7) provision of teachers and staff, and (8) other services.

COOPERATIVE ARRANGEMENTS

Reporting by Member Boards of Education

The bill modifies expenditure reporting for boards of education that have entered into cooperative arrangements. It allows such boards to report all expenditures required by the Office of Policy and Management (OPM) for the uniform chart of accounts and by the state's education commissioner (see BACKGROUND) as a single total annual expenditure by the board.

Such reports must (1) conform to the terms of the agreement that established the cooperative arrangement and (2) describe which local or regional expenses were provided, in whole or in part, by the cooperative arrangement. The bill does not require these reports to list the specific amount of each such expense.

For reports to the education commissioner, superintendents must meet an annual September 1 deadline but may submit revisions by December 31 of that same year.

Reporting by Cooperative Arrangements

The bill also requires each cooperative arrangement to annually file its own independent public school financial report that includes information relating to cooperative arrangement expenses for providing services related to school accommodations, programs or activities, special education, health care, or alternative education. Such report must resemble the expenditure report that boards of education annually submit to the education commissioner (see BACKGROUND).

BACKGROUND***RESCs***

RESCs are regional entities that provide educational services and programs on behalf of boards of education, including special education services; professional development, recruiting, and teacher and school employee fingerprinting and background checks; administrative and transportation services for the Open Choice program; and, in some cases, operation of interdistrict magnet schools (CGS § 10-66a et seq.). There are six RESCs in the state: Area Cooperative Educational Services, Capitol Region Education Council, Cooperative Education Services, EASTCONN, Education Connection, and LEARN.

Uniform Chart of Accounts

This uniform system of accounting for municipal revenue and expenditures, including those of boards of education, lists (1) amounts and sources of revenue and (2) cash and real or personal property donations that, in the aggregate, total \$500 or more. By law, municipalities must implement the accounting system and use it to file annual reports required by OPM by June 30, 2015 (CGS § 7-406c).

Annual Expenditure Reporting to the Education Commissioner

By law, board of educations must require their respective superintendents to annually report to the education commissioner by September 1 on receipts, expenditures, and statistics the commissioner prescribes. The board has until December 31 of that same year to submit revisions to the commissioner (CGS § 10-227).

COMMITTEE ACTION

Education Committee

Joint Favorable Substitute

Yea 32 Nay 0 (03/16/2016)